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New Regulation on Alcoholic Beverages

Report Categories:

Trade Policy Monitoring

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Report Highlights:

A new Indonesian Ministry of Trade regulation will allow registered importers of alcoholic beverages to import duty-paid alcoholic beverage products as of January 2010. Previously, duty-paid and duty-free alcoholic beverages were imported only through a state owned company, as was directed by the Ministry of Trade.

General Information:

On September 15, 2009, the Minister of Trade issued a new regulation (No. 43/M_DAG/PER/9/2009) regarding the supply, distribution, sale, monitoring, and control of alcoholic beverages. The new regulation will become effective January 2010. The stated purpose of the regulation is to protect human health, public order, and community morals from the

negative impacts of alcoholic beverage consumption.

Import of Alcoholic Beverages

There are three categories of alcoholic beverages: 'Category A' containing zero to five percent alcohol; 'Category B' containing greater than 5 percent and less than 20 percent alcohol; and 'Category C' containing 21 - 55 percent alcohol. The description for the legal sale of domestically produced and imported alcoholic beverage products are stated in attachments I and II.

The regulation states that the companies that import duty paid alcoholic beverages must apply for an imported-alcoholic beverages permit (IT-MB) through the Directorate General of Foreign Trade. The main requirement for the IT-MB application is having the assignment letter authorized by country of origin Public Notary from 20 Principle of foreign brand/manufacturer and able to purchase minimum 3,000 carton /brand/year. The IT-MB is valid for three years and can be extended. State owned company is still appointed by the Minister to import duty free alcoholic beverages.

Alcohol beverages containing more than 55 percent alcohol and concentrates for the production of alcoholic beverages are not allowed to be imported into Indonesia.

Quota

The type and amount of the imported alcoholic beverage products allocated to fulfill national demand is determined by the Ministry of Trade and issued annually. The ports of entry for imported duty paid alcoholic beverages include the Belawan sea port, Medan: the Tanjung Priok sea port, Jakarta: the Tanjung Emas sea port, Semarang: the Tanjung Perak sea port, Surabaya: and the Soekarno Hattta sea port, Makassar: as well as all Indonesian international airports.

Distribution

Distribution and sale of alcoholic Beverages Category B and C is under the government control.

Direct sales are only allowed for duty paid alcoholic beverages, including categories A, B, and C, for on-site consumption at hotels, restaurants, bars, pubs and night clubs. Duty free shops are allowed to sell duty free alcoholic beverages, including categories A, B, and C in certain locations.

The direct selling and/or retail of alcoholic beverages and alcoholic beverage products to people under the age of 21 years is prohibited in Indonesia.

Attachment I:

Type of Alcoholic beverage product A, B, and C category

Category A	Category B	Category C
Shandy, Light alcohol beverages, Beer, Lager, Ale, Black beer/Stout, Low alcohol wine, Carbonated alcohol beverages, and Bali traditional alcoholic beverage (Anggur Brem Bali)	Reduced alcohol wine, Wine, Sparkling wine/Champagne, Carbonated Wine, Wine Cocktail wine, Quinine tonic wine, Meat wine/Beef wine, Malt wine, Fruit wine, Cider, Perry, Sake/Rice wine, Vegetable wine, Honey wine/mead, Wine cocktail, Toddy, Bali traditional alcoholic beverage (Anggur Brem Bali), Aromatic alcoholic beverages, Beras Kencur, and Anggur ginseng.	Wine cocktail, Brandy, Fruit Brandy, Whiskies, Rum, Gin, Geneva, Vodka, Liqueurs, Cordials, Medicated Samsu, Arrack, Cognac, Tequila, and Aperitif

Attachment II:

Type of imported alcoholic beverages product allowed to be distributed in Indonesia

HS Code	Product Description
22.03	Beer made from malt
2203.00.10.00	Stout and Porter
2203.00.90.00	Other, including Ale
22.04	Wine of fresh grapes, including fortified wines; grape must other than that of heading 20.09
2204.10.00.00	Sparkling wine
	Other wine; grape must with fermentation prevented or arrested by the addition of alcohol
2204.21	In containers holding 2 l or less
	Wine
2204.21.11.00	Of an alcoholic strength by volume not exceeding 15% vol
2204.21.12.00	Of an alcoholic strength by volume exceeding 15% vol
	Grape must with fermentation prevented or arrested by the addition of alcohol
2204.21.21.00	Of an alcoholic strength by volume not exceeding 15% vol
2204.21.22.00	Of an alcoholic strength by volume exceeding 15% vol
2204.09	Other
	Wine
2204.29.11.00	Of an alcoholic strength by volume not exceeding 15% vol
2204.29.12.00	Of an alcoholic strength by volume exceeding 15% vol
	Grape must with fermentation prevented or arrested by the addition of alcohol
2204.29.21.00	Of an alcoholic strength by volume not exceeding 15% vol
2204.29.22.00	Of an alcoholic strength by volume exceeding 15% vol

2204.30	Other grape must
2204.30.10.00	Of an alcoholic strength by volume not exceeding 15% vol
2204.30.20.00	Of an alcoholic strength by volume exceeding 15% volume
22.05	Vermouth and other wine of fresh grapes flavored with plants or aromatic substances
2205.10	In containers holding 2 l or less
2205.10.10.00	Of an alcoholic strength by volume not exceeding 15% vol
2205.10.20.00	Of an alcoholic strength by volume exceeding 15% vol
22.05.90	Other
2205.90.10.00	Of an alcoholic strength by volume not exceeding 15% vol
2205.90.20.00	Of an alcoholic strength by volume exceeding 15% vol
22.06	Other fermented beverages (for example cider, perry, mead); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included
2206.00.10.00	Cider and perry
2206.00.20.00	Sake (rice wine)
2206.00.30.00	Toddy
2206.00.40.00	Shandy
2206.00.90.00	Other, including mead
22.08	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages.
2208.20	Spirits obtained by distilling grape wine or grape marc
2208.20.10.00	Brandy of an alcoholic strength by volume not exceeding 46% vol
2208.20.20.00	Brandy of an alcoholic strength by volume exceeding 46% vol
2208.20.30.00	Other, of an alcoholic strength by volume not exceeding 46% vol
2208.20.40.00	Other, of an alcoholic strength by volume exceeding 46% vol
2208.30	Whiskies
2208.30.10.00	Of an alcoholic strength by volume not exceeding 46% vol
2208.30.20.00	Of an alcoholic strength by volume exceeding 46% vol
2208.40	Rum and other spirits obtained by distilling fermented sugar-cane products
2208.40.10.00	Of an alcoholic strength by volume not exceeding 46% vol
2208.40.20.00	Of an alcoholic strength by volume exceeding 46% vol
2208.05	Gin and Genever
2208.50.10.00	Of an alcoholic strength by volume not exceeding 46% vol
2208.50.20.00	Of an alcoholic strength by volume exceeding 46% vol
2208.60	Vodka
2208.60.10.00	Of an alcoholic strength by volume not exceeding 46% vol
2208.60.20.00	Of an alcoholic strength by volume exceeding 46% vol
2208.70	Liqueurs and Cordials
2208.70.10	Of an alcoholic strength by volume not exceeding 56% vol
2208.90	Other
2208.90.10.00	Medicated samsu of an alcoholic strength by volume not exceeding 40% vol
2208.90.20.00	Medicated samsu of an alcoholic strength by volume exceeding 40% vol
2208.90.30.00	Other samsu of an alcoholic strength by volume not exceeding 40% vol
2208.90.40.00	Other samsu of an alcoholic strength by volume exceeding 40% vol

2208.90.50.00	Arrack or pineapple spirit of an alcoholic strength by volume not exceeding 40% vol
2208.90.60.00	Arrack or pineapple spirit of an alcoholic strength by volume exceeding 40% vol
2208.90.70.00	Bitter and similar beverages of an alcoholic strength not exceeding 57% vol
2208.90.90.00	Other